

Multiple Agency Fiscal Note Summary

Bill Number: 1489 HB	Title: Childhood ed./impl. dates
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Estimated Cash Receipts

NONE

Agency Name	2025-27		2027-29		2029-31	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI	No fiscal impact					
Local Gov. Other						
Local Gov. Total						

Estimated Operating Expenditures

Agency Name	2025-27				2027-29				2029-31			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Department of Children, Youth, and Families	.0	(265,397,000)	(265,397,000)	(265,397,000)	.0	(468,624,000)	(468,624,000)	(468,624,000)	.0	136,928,000	136,928,000	136,928,000
Total \$	0.0	(265,397,000)	(265,397,000)	(265,397,000)	0.0	(468,624,000)	(468,624,000)	(468,624,000)	0.0	136,928,000	136,928,000	136,928,000

Agency Name	2025-27			2027-29			2029-31		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI	No fiscal impact								
Local Gov. Other									
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2025-27			2027-29			2029-31		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Children, Youth, and Families	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Agency Name	2025-27			2027-29			2029-31		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI	No fiscal impact								
Local Gov. Other									
Local Gov. Total									

Estimated Capital Budget Breakout

Prepared by: Carly Kujath, OFM	Phone: (360) 790-7909	Date Published: Final 2/ 6/2025
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Individual State Agency Fiscal Note

Revised

Bill Number: 1489 HB	Title: Childhood ed./impl. dates	Agency: 307-Department of Children, Youth, and Families
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
Account					
General Fund-State 001-1	(31,085,000)	(234,312,000)	(265,397,000)	(468,624,000)	136,928,000
Total \$	(31,085,000)	(234,312,000)	(265,397,000)	(468,624,000)	136,928,000

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Jordan Clarke	Phone: 360-786-7123	Date: 01/28/2025
Agency Preparation: Ashley McEntyre	Phone: 2533064501	Date: 02/06/2025
Agency Approval: Crystal Lester	Phone: 360-628-3960	Date: 02/06/2025
OFM Review: Carly Kujath	Phone: (360) 790-7909	Date: 02/06/2025

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

House bill 1489 is an act relating to implementation dates for programs related to early childhood education and child care.

Section 1(3) amends RCW 43.216.556 to change the early childhood education assistance program entitlement date from the 2026-27 school year to the 2030-31 school year.

Section 2(3) amends RCW 43.216.802 to change the implementation date of working connections child care income expansion to 75% state median income from July 1, 2025 to July 1, 2029.

Section 2(4) amends RCW 43.216.802 to change the implementation date of working connections child care income expansion to 85% state median income from July 1, 2027 to July 1, 2031.

Section 4 is new and adds an effective date of July 1, 2025.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

NONE

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

The Department of Children, Youth and Families estimates a cost savings of \$265,397,000 (\$265,397,000 GF-S) in the 2025-27 Biennial budget.

Section 1(3)

Total Cost savings are (\$31,085,000) in FY26 and (\$234,312,000) in FY27.

This section of the bill pushes out the Early Childhood Education Assistance (ECEAP) program entitlement from the 2026-2027 school year to the 2030-2031 school year. Implementation of this bill will result in a decreased caseload beginning FY26.

DCYF does not have base funding to reach ECEAP entitlement in FY2027. Included in this cost estimate is the 2025-27 Governor's proposed budget maintenance level funding step is in the base funding. The Governor's proposed budget funded \$145,894,000 in FY27 at maintenance level to fund ECEAP Entitlement.

Implementation of this bill would result in annual cost savings of \$145,894,000 beginning in FY27.

This fiscal note assumes the reduction of 6,396 school day slots in FY27 and the addition of 7,493 school day slots in FY31. This slot type is used for illustrative purposes only. Reducing/adding part day slots would save less/cost less, while working day slots would save more/cost more.

DCYF will submit a future decision package to request funding for a phased-in approach to meet ECEAP Entitlement in the

2030-31 school year.

Section 2(3)

Total Cost savings are (\$31,085,000) in FY26 and (\$88,418,000) in FY27.

This section of the bill would push out income expansion to 75% of State Median Income (SMI) for the Working Connections Child Care (WCCC) program beginning July 1, 2029, and expansion to 85% SMI, subject to appropriations, beginning July 1, 2031. Current law expands eligibility to 75% SMI beginning July 1, 2025. The November 2024 Forecast assumes a four-year phase in approach to reach 75% SMI, adding 12,453 household months in FY26 and 35,445 household months in FY27.

DCYF does not have base funding to reach income expansion to 75% SMI in FY2026. Included in this cost estimate is the 2025-27 Governor’s proposed budget maintenance level funding step is in the base funding. The Governor’s proposed budget funded \$31,085,000 in FY26 and \$88,418,000 in FY27.

Implementation of this bill would result in a cost savings of \$31,085,000 in FY26 and \$88,418,000 in FY27.

This fiscal note assumes costs to expand to 75% SMI would begin July 1, 2029, and costs shown are for illustrative purposes only. DCYF does not know what WCCC rates will be in the 2030-2031 biennium.

DCYF will submit a future decision package to request funding for income expansion to 75% SMI.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2026	FY 2027	2025-27	2027-29	2029-31
001-1	General Fund	State	(31,085,000)	(234,312,000)	(265,397,000)	(468,624,000)	136,928,000
Total \$			(31,085,000)	(234,312,000)	(265,397,000)	(468,624,000)	136,928,000

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts					
E-Goods and Other Services					
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services	(31,085,000)	(234,312,000)	(265,397,000)	(468,624,000)	136,928,000
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	(31,085,000)	(234,312,000)	(265,397,000)	(468,624,000)	136,928,000

III. C - Operating FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

NONE

III. D - Expenditures By Program (optional)

Program	FY 2026	FY 2027	2025-27	2027-29	2029-31
Early Learning (030)	(31,085,000)	(234,312,000)	(265,397,000)	(468,624,000)	136,928,000
Total \$	(31,085,000)	(234,312,000)	(265,397,000)	(468,624,000)	136,928,000

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 1489 HB	Title: Childhood ed./impl. dates	Agency: SDF-School District Fiscal Note - SPI
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Jordan Clarke	Phone: 360-786-7123	Date: 01/28/2025
Agency Preparation: Tisha Kuhn	Phone: 360 725-6424	Date: 01/29/2025
Agency Approval: Amy Kollar	Phone: 360 725-6420	Date: 01/29/2025
OFM Review: Val Terre	Phone: (360) 280-3073	Date: 01/30/2025

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Section 1 (Amended):

Section 1: Informs that early learning programs should be implemented in phases and that full statewide implementation is achieved in the 2030-31 school year.

Section 2 (Amended)

Section 2(3): Changes the date that a family is eligible for working connections child care when the household's annual income is above 60 percent and at or below 75 percent of the state median income adjusted for family size to July 1, 2029.

Section 2(4): Changes the date that a family is eligible for working connections child care when the household's annual income is above 75 percent and at or below 85 percent of the state median income adjusted for family size to July 1, 2031.

Section 3 (Amended)

Section 3(1)(a): Changes the date that an applicant or consumer is eligible to receive working connections child care benefits for the care of one or more eligible children for the first 12 months of the applicant's or consumer's enrollment in a state registered apprenticeship program under chapter 49.04 RCW when the applicant or consumer's household annual income adjusted for family size does not exceed 75 percent of the state median income at the time of application, or, beginning July 1, 2032.

Section 4 (New)

Informs that the act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July, 1, 2025.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

No cash receipts impact anticipated.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

No school district impact is projected as a result of implementing this bill. Districts that have ECEAP programs and/or accept child care subsidies already have systems in place to enroll families according to their eligibility and to collect fees for copays.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

III. C - Operating FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

No capital budget impact anticipated.

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.